Government of Saskatchewan

Annual Report 2004-2005

Agricultural Implements Board

Saskatchewan Centennial 2005

105-06516/

Letter of Transmittal

To Her Honour
The Honourable Lynda Haverstock
Lieutenant Governor of the Province of Saskatchewan

Madam:

I have the honour to present the Annual Report of the
Agricultural Implements Board for the fiscal year ended March 31, 2005.

Respectfully submitted,

Mark Wartman
Minister of Agriculture and Food

Agricultural Implements Board 2004/2005 Annual Report

The Agricultural Implements Act provides protection to farmers who buy or own agricultural implements. The Act requires that farm equipment dealers and manufacturers maintain minimum levels of warranty, repair and parts delivery services. Farmers may apply to the Agricultural Implements Board for compensation if they feel they have incurred a loss due to an unreasonable delay or availability of farm equipment parts.

The Board currently consists of seven members as follows:

- Norm Overland, Farmer
- Allan Smith, Canada West Equipment Dealers Association
- Doug Slough, Farmer
- Robin Fenell, Saskatchewan Wholesale Implements Association
- Loren Katzenberger, Prairie Implement Manufactures Association
- Jeff Just, Association of Equipment Manufactures of Canada
- Don Taylor, Saskatchewan Association of Rural Municipalities

Major Changes:

1987

- Administration of the Act by Agriculture and Food transferred to Department of Justice.

2001/02

- Administration of the Act by Justice transferred to Department of Agriculture and Food.
- Development and implementation of an Ag Implements database.
- Initiated changes to definition of "Model Year" in the regulations.

2002/03

- Prepared draft of *Agricultural Implements Amendment Act*. Amendments to the Act were passed in the 2003 spring session. The amended Act a removes some obsolete provisions in the existing legislation and harmonizes the Saskatchewan legislation with legislation in Alberta and Manitoba.

2003/04

- Board member appointments for a two year term were completed (Order in Council 348, May 13, 2003).
- Following legislative approval of the amended Act, regulation changes were completed and proclaimed on September 15, 2003.

2004/05

- Current Board member appointments expired May 13, 2005.
- The Board Appointments were completed (Order in Council No. 7097, May 16, 2005.

Major Issues:

- There were no significant issues to report during the course of the year.

Critical Dates:

- Farm implement dealers and distributors are required to renew licenses and registration by March 31 of each year.

Program Statistics:

	99/00	00/01	01/02	02/03	03/04	04/05
# of agricultural implement dealers	470	473	429	410	399	400
# of agricultural implement distributors	114	122	119	120	105	107
# of agricultural implement manufacturers	223	242	228	228	228	226
# of hearings	0	1	1	1	0	0

Management's Responsibility for the Financial Statements

The accompanying financial statements of the Agricultural Implements Board have been prepared by management in accordance with generally accepted accounting principles, using management's best estimates and judgements where appropriate.

The fund's management is responsible for the reliability and integrity of these financial statements and other information in this Annual Report. Financial information in the Annual Report is consistent with that provided in these financial statements.

In discharging its responsibility for the reliability and integrity of these financial statements, management maintains financial and management control systems and practices designed to provide reasonable assurance that transactions are authorized, assets are safeguarded and proper records are maintained.

The Provincial Auditor Saskatchewan has audited these financial statements and conducted a review of internal accounting policies and procedures to the extent required to enable them to express an opinion on these financial statements.

Don Brooks
Agricultural Implements Board Secretary

Ken Petruic
Manager, Financial Services.

July 2005

Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

Phone: (306) 787-6398
Fax: (306) 787-6383
Web site: www.auditor.sk.ca
Internet E-mail: info@auditor.sk.ca

SASKATCHEWAN

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Agricultural Implements Board as at March 31, 2005 and the statements of operations and net financial assets, and cash flows for the year then ended. The Board's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred Wendel, CMA, CA
Provincial Auditor

Regina, Saskatchewan
April 29, 2005

AGRICULTURAL IMPLEMENTS BOARD

FINANCIAL STATEMENTS

For the Year Ended March 31, 2005

AGRICULTURAL IMPLEMENTS BOARD
STATEMENT OF FINANCIAL POSITION
As at March 31

	2005	2004
ASSETS		
Due from General Revenue Fund (Note 3)	$ 165,740	$ 159,595
Accrued interest receivable	978	953
	$ 166,718	$ 160,548
LIABILITIES AND NET FINANCIAL ASSETS		
Liabilities:		
Deferred revenue	$ 2,125	$ 2,225
Net financial assets (Statement 2)	164,593	158,323
	$ 166,718	$ 160,548

(See accompanying notes to the financial statements)

Statement 2

AGRICULTURAL IMPLEMENTS BOARD
STATEMENT OF OPERATIONS AND NET FINANCIAL ASSETS
For the Year Ended March 31

	2005	2004
Revenue:		
Assessment levies	$ 2,700	$ 2,675
Interest income	3,570	4,349
	6,270	7,024
Expenditure:		
Compensation payments	---	---
Surplus for the year	6,270	7,024
Net financial assets, beginning of year	158,323	151,299
Net financial assets, end of year - to Statement 1	$ 164,593	$ 158,323

(See accompanying notes to the financial statements)

AGRICULTURAL IMPLEMENTS BOARD
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2005	2004
Cash flows from operating activities:		
Cash receipts from distributors	$ 2,600	$ 2,650
Interest received	3,545	4,417
Net increase in cash position	6,145	7,067
Due from General Revenue Fund, beginning of year	159,595	152,528
Due from General Revenue Fund, end of year	$ 165,740	$ 159,595

(See accompanying notes to the financial statements)

AGRICULTURAL IMPLEMENTS BOARD
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2005

1. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The following accounting policy is considered significant.

a) Revenue

Assessment levies are assessed annually, any that are received in advance are recorded as deferred revenue.

2. Authority

The Agricultural Implements Board is continued under *The Agricultural Implements Act*. Under this Act, a fund known as the Agricultural Implements Compensation Fund, through which all transactions reflected in these statements are conducted, is continued:

a) to pay compensation to farmers;

b) to defray the expenses of investigating and hearing claims for compensation under this Act; and

c) to maintain a reserve fund to pay compensation that may become payable in the future.

3. Due from General Revenue Fund

The Agricultural Implements Board's bank account is included in the Consolidated Offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan.

Earned interest is calculated and paid by the General Revenue Fund on a quarterly basis using the Government's thirty-day borrowing rate (2005 average rate 2.19%; 2004 average rate 2.79%) and the Agricultural Implements Board's average daily bank account balance.

4. Related Parties Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Board by virtue of common control by the Government of Saskatchewan.

Salary and administration costs other than those in respect of investigations and hearings have been absorbed by various departmental appropriations and are therefore not reflected in these financial statements.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements and the notes hereto.

5. Financial Instruments

a) Accrued Interest Receivable

The carrying value of accrued interest receivable approximates fair value.

b) Due from General Revenue Fund

The amount due from the General Revenue Fund is interest bearing as described in Note 3. The carrying value approximates fair value.

Government of
Saskatchewan

Printed 07/05
100 ISSN 1703-7468 COMM0199